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-The Case of the Dreadful Decision-

Power, money, and influence are a few of many perceptions people see when they think about a business or organization. When taking a closer look at these organizations, it's an environment filled with culture, purpose, and personality. Employees who are hired and assimilated to the workplace contribute to the culture their supervisor and fellow colleagues have cultivated. Especially after years within the company, this culture continues to evolve with the employees that are hired. However, the workplace should not be mistaken for a social club. There is a purpose each employee must perform and a supervisor who enforces the standard the organization upholds. "What will be best for the organization?" is a question many managers and supervisors must make when given any decision. During this difficult financial season that has hit Aero Performance, Mr. Martinez must answer the same question concerning which of the unit's four employees he must lay off:

- Gary Meadors
- Brenda Baldwin
- Udit Chopra
- Craig Cottrell

In order to answer this question the best way Mr. Martinez can, the criteria that would best narrow down who to lay off should be based on education and performance; essentially breaking down which of the four members of the unit are an asset or liability. While this criteria

may be very analytical and potentially come off as “cold-hearted”, it is one of the safest and fairest approaches for a criteria when it comes to lay offs. Using personal matters as a factor in the criteria, either to include or exclude someone, leaves room for potential errors in the decision making process. For example, if Mr. Chopra was one of the worst performers of Aero Performance, yet was not laid off because he was the only one who provided for his family, then Mr. Martinez is placing his unit and even the company at risk of damaging their reputation. However, the society of human resources management (2017) does mention that “employers should be concerned with the stress levels of employees” and how their “personal lives can affect their ability to do their jobs and interact with co-workers, supervisors, and clients”. The time after job evaluations and performance reviews are preferred times when the manager or supervisor can discuss work and it’s relations with recent personal matters. Nevertheless, a performance-based criteria with the addition of education gives the manager a better perspective of how well each employee is doing in their position and whether or not they are knowledgeable and qualified to do their job. When it comes to performance, important points such as: job knowledge, quality and quantity of work, and work relation among other factors give the manager a refined understanding what to pay attention to. Moreover, having a performed-based foundation when narrowing down which employee(s) to lay off lowers any potential bias or subjectivity. If the employee(s) do intend to bring this decision into court, this method is easier to defend compared to criteria that was based on the opinions of managers (SHRM 2009). As for the education aspect of the suggested criteria, the employee must understand what their occupation and the organization requires of them. In Aero Performance’s case, the technology upgrade unit must be knowledgeable of the theoretical, mechanical, and technological aspects of aerial based transportation. Anything less cannot meet the educational standards needed to

operate in said unit. If the employee is not knowledgeable of this information, then how can they properly recommend to a client which machinery to best upgrade to or use the proper jargon when discussing the information technology. Overall, the criteria will weigh the employees on these factors; proving who is best to let go from the unit.

\*As seen in the chart, each of the four employee’s education and performance evaluation scores over the past three to four years are displayed.

<u>Employees</u>	<u>Education</u>	<u>Performance</u> 2011 2012 2013 2014
Gary Meadors	Based off articles, journals, and on-the-job experience	Avg  Good Avg Avg
Brenda Baldwin	Airline Technology Degree & “Continues to take evening classes in her field”	High Good Avg
Udit Chopra	Marketing Degree	Avg  Good Good Good
Craig Cottrell	Degree in Airline Technology( <b>Assumption</b> )	Avg Avg High

During the layoff selection process, Mr Martinez must be aware of the repercussions after the employee’s departure. Sucher and Gupta(2018) write that “survivors experienced a 20% decline in job performance.” So after he should be aware of a performance drop once an employee is chosen. Nonetheless, based on the criteria established, Mr. Chorpa and Mr. Cottrell are not qualified to be laid off. Both are very well experienced employees with a passion for what they do. Though there is friction between him, Ms.Baldwin, and Mr. Chopra this issue can be attended to in a discussion with Mr. Martinez. As for Ms. Baldwin’s situation, while she is a very knowledgeable employee, her performance must be addressed. Though she continues to show a decline in her performance each year, Mr. Martinez must have a meeting with her on this

surprising downturn. However, due to her education and continuous study in her field, she still proves to be an important employee to Aero Performance. Once she and Mr. Martinez has addressed the issue, there is now doubt she will become a highly rated performer. Regrettably, Mr. Meadors will have to be laid off. Though he has been with Aero for nine long years, loyal to the organization and gained understanding on the job, this was not enough to meet the mark. His 2011 rating and plateauing average performance over the past two years, as well as his limited education were two important factors which would make Mr. Meadors the logical candidate to be laid off.

Aero Performance, being an organization that values loyalty and dedication recognizes Mr. Meadors's own dedication to his work and the organization as a whole for his nine years of service. When it comes to severance packages, both employer and employee must be aware of the work history. Breaking down their performance over the duration of their time with the organization and using that as a means of projecting how much the package should be. Basing the package using other factors that may seem or are biased might provoke a legal case; the employee's lawyer will be on the lookout for any discrimination or bias (Anderson, 2020). Moreover, the package must also be reasonable. The standard severance packages contain when it comes to pay are two to three weeks, depending on the organization. In Mr. Meadors's case, his severance package will match three weeks of pay for every year of employment over the past 3 months after his departure from the organization. In addition to three months of insurance covered by Aero, and offer Cobra with 25% paid by the organization. So once Mr. Meador departs from the company, he will receive \$38,552.88 over the span of three months. Furthermore health benefits such as company paid insurance and Cobra with Aero paying 25%

of the expense, both for three months. Not only because of his nine year service with Aero, but for his consistency, reliability, and loyalty as an employee.

Whenever a manager is preparing to give their employee a termination interview, there are a few precautions that must be taken into consideration. We will have all documents concerning the criteria of the lay off at hand to ensure that Mr. Meador will see the process that went into the selection process to avoid and alleviate any possible misunderstandings. Bring assurance that he will not be treated as an “at-will” employee. Finally, have an H.R representative present to ensure that both parties understand what will happen next, explaining what the severance package will look like and offer. We will assure that Mr. Meador will be taken care of.

An organization goes through many financial seasons in it’s business life cycle. Season where the company is successful and grows, as well as seasons that are unsuccessful and losses are made. During these seasons, managers will end up making some of the most difficult decisions. Mr. Martinez of Aero Performance was one of these managers; he had to make the dreadful decision to lay off one of the members of his unit. Using a performance-based criteria to ensure that this decision would be fair and safe for both the company and the employee chosen. Though it may be difficult he must answer the question “what is best for the organization?”.

-References-

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